

Introduced by Senators Bowen and Cox

February 23, 2006

An act to add Section 9601.5 to the Public Utilities Code, relating to local publicly owned electric utilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 1554, as introduced, Bowen. Local publicly owned electric utilities: cost responsibility surcharge.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. Under existing law, the commission has imposed a cost responsibility surcharge on municipal departing load, as defined in commission decisions. Existing law relative to electrical restructuring, with certain exceptions, prohibits a local publicly owned electric utility from providing electric service to a retail customer of an electrical corporation unless the customer first confirms in writing an obligation to pay to the electrical corporation a nonbypassable generation-related severance fee or transition charge established by the regulatory body for that electrical corporation.

This bill would prohibit the commission from imposing any charge, including a cost responsibility surcharge, on a customer of a local publicly owned electric utility if the customer's service location has not previously received service from an electrical corporation.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 9601.5 is added to the Public Utilities
- 2 Code, to read:

1 9601.5. Notwithstanding any other law, the commission shall
2 not impose any charge, including, but not limited to, a cost
3 responsibility surcharge, on a customer of a local publicly owned
4 electric utility if the customer's service location has not
5 previously received service from an electrical corporation.

O